

**ALASKA STATE LEGISLATURE  
HOUSE EDUCATION STANDING COMMITTEE**

April 23, 2021

8:02 a.m.

**MEMBERS PRESENT**

Representative Harriet Drummond, Co-Chair  
Representative Andi Story, Co-Chair  
Representative Tiffany Zulkosky  
Representative Grier Hopkins  
Representative Mike Cronk  
Representative Ronald Gillham

**MEMBERS ABSENT**

Representative Mike Prax

**COMMITTEE CALENDAR**

HOUSE BILL NO. 132

"An Act relating to technical education and apprenticeships; relating to concurrent vocational education, training, and on-the-job trade experience programs for students enrolled in public secondary schools; relating to child labor; and providing for an effective date."

- MOVED CSHB 132(EDC) OUT OF COMMITTEE

HOUSE BILL NO. 164

"An Act relating to early education programs provided by school districts; relating to school age eligibility; relating to early education programs; establishing a parents as teachers program; relating to the duties of the Department of Education and Early Development; relating to certification of teachers; establishing a reading intervention program for public school students enrolled in grades kindergarten through three; establishing a reading program in the Department of Education and Early Development; relating to a virtual education consortium; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 114

"An Act relating to the education loan program and Alaska supplemental education loan program; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 132

SHORT TITLE: SCHOOL APPRENTICESHIP PROGS; TAX CREDITS

SPONSOR(s): LABOR & COMMERCE

03/10/21	(H)	READ THE FIRST TIME - REFERRALS
03/10/21	(H)	L&C, EDC, FIN
03/15/21	(H)	L&C AT 6:30 PM BARNES 124
03/15/21	(H)	Heard & Held
03/15/21	(H)	MINUTE(L&C)
03/22/21	(H)	L&C AT 3:15 PM DAVIS 106
03/22/21	(H)	Moved CSHB 132(L&C) Out of Committee
03/22/21	(H)	MINUTE(L&C)
03/22/21	(H)	L&C AT 6:30 PM DAVIS 106
03/22/21	(H)	-- MEETING CANCELED --
03/25/21	(H)	L&C RPT CS(L&C) NEW TITLE 5DP 1AM
03/25/21	(H)	DP: SNYDER, SCHRAGE, MCCARTY, SPOHNHOLZ, FIELDS
03/25/21	(H)	AM: NELSON
04/09/21	(H)	EDC AT 8:00 AM DAVIS 106
04/09/21	(H)	Heard & Held
04/09/21	(H)	MINUTE(EDC)
04/19/21	(H)	EDC AT 8:00 AM DAVIS 106
04/19/21	(H)	Heard & Held
04/19/21	(H)	MINUTE(EDC)
04/23/21	(H)	EDC AT 8:00 AM DAVIS 106

BILL: HB 164

SHORT TITLE: EARLY ED PROGRAMS; READING; VIRTUAL ED

SPONSOR(s): TUCK

04/07/21	(H)	READ THE FIRST TIME - REFERRALS
04/07/21	(H)	EDC, FIN
04/21/21	(H)	EDC AT 8:00 AM DAVIS 106
04/21/21	(H)	<Bill Hearing Canceled>
04/23/21	(H)	EDC AT 8:00 AM DAVIS 106

BILL: HB 114

SHORT TITLE: EDUCATION & SUPPLEMENTAL LOAN PROGRAMS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/24/21	(H)	READ THE FIRST TIME - REFERRALS
02/24/21	(H)	EDC

**WITNESS REGISTER**

TRISTAN WALSH, Staff  
Representative Zach Fields  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Provided information and answered questions during the hearing on HB 132 on behalf of the House Labor and Commerce Standing Committee, sponsor.

WESTON EILER, Director of Government Relations  
University of Alaska  
Anchorage, Alaska

**POSITION STATEMENT:** Provided information and answered questions during the hearing on HB 132.

LOKI TOBIN, Staff  
Senator Tom Begich  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Introduced HB 164 on behalf of the Senate Education Standing Committee, prime sponsor of companion bill SB 111.

REPRESENTATIVE CHRIS TUCK  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented HB 164.

SENATOR TOM BEGICH  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Provided information on HB 164 on behalf of the Senate Education Standing Committee, sponsor of companion bill SB 111.

SANA EFIRD, Executive Director  
Alaska Commission on Postsecondary Education  
Juneau, Alaska

**POSITION STATEMENT:** Introduced HB 114 on behalf of the sponsor, House Rules by request of the governor.

LEE DONNER, Regional Managing Director  
Hilltop Securities  
Dallas, Texas

**POSITION STATEMENT:** Testified in support of HB 114.

**ACTION NARRATIVE**

8:02:37 AM

**CO-CHAIR HARRIET DRUMMOND** called the House Education Standing Committee meeting to order at 8:02 a.m. Representatives Story, Cronk, Gillham, Hopkins, Zulkosky, and Drummond were present at the call to order.

**HB 132-SCHOOL APPRENTICESHIP PROGS; TAX CREDITS**

8:03:50 AM

**CO-CHAIR DRUMMOND** announced that the first order of business would be HOUSE BILL NO. 132, "An Act relating to technical education and apprenticeships; relating to concurrent vocational education, training, and on-the-job trade experience programs for students enrolled in public secondary schools; relating to child labor; and providing for an effective date." [Before the committee was CSHB 132(L&C).]

**REPRESENTATIVE STORY** moved to adopt Amendment 1 to CSHB 132(L&C), labeled 32-LS0476\W.5, Klein, 4/22/21, which read as follows:

Page 4, line 9, through page 5, line 16:

Delete all material and insert:

"\* **Sec. 3.** AS 14.40.190 is amended by adding a new subsection to read:

(c) In addition to the reports required under (a) and (b) of this section, during the first regular session of each legislature, the Board of Regents or its designee shall provide to the legislative committees having jurisdiction over education a biennial presentation describing the efforts made by the University of Alaska to collaborate with the Department of Labor and Workforce Development to provide credit programs for concurrent secondary education and registered apprenticeships."

**REPRESENTATIVE CRONK** objected for the purpose of discussion.

**REPRESENTATIVE STORY** said the amendment would insert language for the purpose of alignment with other required reports.

[8:05:37 AM](#)

REPRESENTATIVE ZULKOSKY asked whether the amendment is a technical amendment.

REPRESENTATIVE STORY deferred to Mr. Walsh.

[8:06:24 AM](#)

TRISTAN WALSH, Staff, Representative Zach Fields, Alaska State Legislature, on behalf of the House Labor and Commerce Standing Committee, sponsor, explained that Amendment 1 was drafted in consultation with the University of Alaska (UA). He deferred to Mr. Eiler.

[8:07:04 AM](#)

WESTON EILER, Director of Government Relations, University of Alaska, said Section 3 of the proposed legislation was "problematic" because it would change the principal duties of the University of Alaska Board of Regents. Much of what UA already does is in the area of workforce development, he said, in collaboration with the Department of Labor & Workforce Development (DOLWD) and the Department of Education & Early Development (DEED). Instead of amending the principal duties of the Board of Regents, he said, language would be added in the adjacent statutes requiring biannual progress reports to House Education Standing Committee.

[8:09:15 AM](#)

REPRESENTATIVE CRONK withdrew his objection. There being no further objection, Amendment 1 to CSHB 132(EDC) was adopted.

[8:09:49 AM](#)

REPRESENTATIVE STORY moved to report CSHB 132(L&C), as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE CRONK objected. He said the apprenticeship programs are full, that he wants to reduce spending, and that he doesn't see the need for the bill.

REPRESENTATIVE ZULKOSKY said that she only sees zero fiscal notes, and asked whether she is missing one.

REPRESENTATIVE CRONK said the number on the fiscal note he was referring to is 2796.

CO-CHAIR DRUMMOND noted a discrepancy in the fiscal notes.

[8:11:46 AM](#)

The committee took an at-ease from 8:11 a.m. to 8:28 a.m.

[8:28:56 AM](#)

CO-CHAIR DRUMMOND announced that CSHB 132(L&C), as amended, [with the motion to move it out of committee left pending], would be held until later in the meeting.

**HB 164-EARLY ED PROGRAMS; READING; VIRTUAL ED**

[Contains discussion of companion bill SB 111.]

[8:29:05 AM](#)

CO-CHAIR DRUMMOND announced that the next order of business would be HOUSE BILL NO. 164, "An Act relating to early education programs provided by school districts; relating to school age eligibility; relating to early education programs; establishing a parents as teachers program; relating to the duties of the Department of Education and Early Development; relating to certification of teachers; establishing a reading intervention program for public school students enrolled in grades kindergarten through three; establishing a reading program in the Department of Education and Early Development; relating to a virtual education consortium; and providing for an effective date."

[8:29:22 AM](#)

REPRESENTATIVE STORY moved to adopt the proposed committee substitute (CS) for HB 164, Version 32-LS0731\I, Klein, 4/20/21 ("Version I"), as the working document.

CO-CHAIR DRUMMOND objected for the purpose of discussion.

[8:31:03 AM](#)

LOKI TOBIN, Staff, Senator Tom Begich, Alaska State Legislature, introduced HB 164 on behalf of the Senate Education Standing Committee, prime sponsor of companion bill SB 111. She

explained that the policy changes for the voluntary early education program are addressed in Sections 2-4, 7-10, 14-17, 20-22, 25, and 29, with repealer clauses in Sections 39, 40, and 45, and applicability language, transition language, and an effective date in Sections 44, 46, and 47. She said the voluntary early education programs direct the Department of Education & Early Development (DEED) to approve and supervise existing, high-quality, locally-designed, and culturally responsive early education programs in local school districts. She said the sections direct DEED to offer the Parents As Teachers program and demonstrate its efficacy; the sections also provide a mechanism for DEED to provide a grant for school districts to design and develop a district program, and to collect data on the programs for inclusion in its annual report to the Alaska State Legislature. She said that a comprehensive report would be provided to the Thirty-Eighth Alaska State Legislature, and all of the sections under discussion would be repealed on June 30, 2034.

MS. TOBIN discussed reading programs, addressed in Sections 5-6, 13, 18-19, 23, 29-32, 34-35, and 37, with repealer clauses in Section 40, and applicability language in Sections 42-45. She said the policies would direct DEED to establish a culturally-responsive reading program, and support school districts in implementation. She said school districts would be required to offer interventional reading services for students in Kindergarten through Grade 3 (K-3) who are identified as struggling with reading. Students would be assessed at the beginning of the school year, she said, and students struggling with reading would receive individualized reading support services. She stressed that the proposed language would ensure that parents or guardians are notified of the activity, and that students are provided additional support both inside and outside of the classroom. The sections would also establish a statewide reading program, she said, which would direct DEED to provide intensive support to the lowest-performing 25 percent of school districts serving K-3 students. Data would be included in a comprehensive report, to be presented to the Thirty-Eighth Alaska State Legislature, and the sections would be repealed on June 30, 2034.

MS. TOBIN explained the last policy, which would direct DEED, in collaboration with school districts, to establish a Virtual Education Consortium, to be repealed on June 30, 2034. She said this proposed policy is described in Sections 21, 36, and 40-41. She pointed out that other sections included in the bill don't pertain to the three primary areas of policy: Section 24 would

amend AS 14.14.115 to encourage school districts to engage in cooperative agreements for the purpose of reducing administrative costs. Sections 27-28 would amend AS 14.17.505 to increase the unreserved fund balance a school may carry into a new fiscal year. Section 33 would amend AS 14.20.020 and direct the State Board of Education to assess and establish passing scores on teaching competency tests.

8:36:18 AM

CO-CHAIR DRUMMOND withdrew her objection to the motion to adopt the proposed CS for HB 164, Version 32-LS0731\I, Klein, 4/20/21 as the working document. There being no further objection, Version I was before the committee.

8:36:47 AM

REPRESENTATIVE CHRIS TUCK, Alaska State Legislature, as prime sponsor, presented HB 164. He said the goal of the bill is to empower parents, teachers, and students to increase reading proficiency early in a child's learning; reading proficiency, he said, makes it easier to learn many other subjects. He explained that HB 164 would allow school districts to develop localized and culturally responsive pre-K programs through a six-year grant program; would establish a new statewide evidence-based reading program; and would provide intensive reading intervention services from kindergarten through grade three for students experiencing reading deficiencies. The bill would also require reading intervention specialists, funded by the DEED, to be available to work with local teachers and support staff to improve reading scores and assessments through evidence-based reading instruction. He pointed out the Parents As Teachers program, which he described as "the most cost-effective way" of delivering early education to small and remote communities. Parental involvement is key to a child's academic success, he said, and the provisions in HB 164 would help catch developmental delays and no longer allow schools to hold back students without consultation with parents.

8:41:15 AM

SENATOR TOM BEGICH, Alaska State Legislature, on behalf of the Senate Education Standing Committee, sponsor of companion bill SB 111, provided the history of HB 164's development. He said HB 164 and SB 111 represent an effort to effect comprehensive education reform, a process that began many years ago to address the systemic inequity in Alaska's educational system which has



reduced opportunities for generations. He explained that without a solid reading ability, the odds of a child's involvement in the juvenile justice system, and later the criminal justice system, are increased; similarly, that individual is more likely to require state support and to pass the obstacles to opportunity on to future generations. He described a three-part strategy, developed in 1994 by the Coalition for Education Equity.

SENATOR BEGICH explained that the first of the strategy was to demonstrate the inequity in funding of construction and repair of rural schools; the bulk of school funding has historically been allocated to urban or railbelt schools. In 1999, he said, the Alaska Superior Court characterized the legislature's funding of Alaska's schools as "racist." In 2000, an extensive, community-based effort to identify the necessary components of education began, as well as what parents and educators felt was missing in school. In villages where the work was done, he said, several areas were identified, including the need for greater education opportunities; curriculum more relevant to culture and experience; greater support from DEED for teachers and school districts; and consistent approaches to reading to lock in early education's gains; and more engagement of teachers in communities. He said the process was then extended to urban areas, where the same needs were identified, particularly the needs for DEED support and consistent reading curriculum.

SENATOR BEGICH said a lawsuit, building on prior efforts and with financial support from the National Education Association, Alaska Federation of Natives, individual school districts, and Alaska citizens, sought to establish common components for ensuring the state was meeting its constitutional obligations under the education clause. The lawsuit, settled in 2012, with the court identifying the exact elements of education previously identified in the research and litigation process as those the state needed to provide. While funding was increased and some action was taken, he said, the court and plaintiffs envisioned action on a much greater scale. Findings in the 2016 legislative performance audit underscored the issues.

[8:45:36 AM](#)

SENATOR BEGICH gave a brief history of his legislative efforts to implement the educational components, explaining that the ideas generated in the House Education Standing Committee and Senate Education Standing Committee were all compiled into SB 8 and HB 164. The Senate Education Standing Committee heard SB 8

four times, he said, and there was extensive public support from around the state for the concepts. The Senate Education Standing Committee then introduced SB 111 in an effort to combine the concepts in SB 8 - quality early education, consistent and community-responsive reading, and greater support to school districts from DEED - with additional concepts such as the virtual consortium. He said SB 111 didn't address the critical issues that had been identified in the preceding 25-year process, but the Senate Education Standing Committee removed harmful elements and added back nearly all of the concepts from SB 8. He said he would make some adjustments, such as removing the sunset clauses and enhancing the use of locally-developed Alaska Native curriculum, he supports SB 111 as the next step in building a more robust educational system. Like SB 111, he said, Representative Tuck's effort with HB 164 is informed by the experience of school districts including Nome, Lower Kuskokwim, Yukon-Koyukuk, Alaska Gateway, Anchorage, and many others that have responded to the imperative that an equitable education should be provided to all Alaskans.

[8:49:11 AM](#)

CO-CHAIR DRUMMOND commented on Senator Begich's opposition to the sunset clause, opining that the inclusion of the sunset clause doesn't seem to make sense in the context of this type of proposed legislation.

SENATOR BEGICH said the sunset clauses apply to every element of the bill.

[8:50:23 AM](#)

REPRESENTATIVE TUCK stated his agreement with Senator Begich regarding the sunset clauses, and he pointed out that every aspect of the bill is evidence-based. Stronger families, less crime, stronger communities, and flourishing economies all stem from equitable education, he said, and with the struggles Alaska faces, it would be smart to take advantage of the federal funding to make the proper investments. He asked, "Why would you want to cut that short by having these repealers in there?"

SENATOR BEGICH pointed out that funding pre-K has been a struggle every year. He said the data provided by DEED is clear, with results showing that children supported with early education outperform their peers at every level of testing.

[8:52:30 AM](#)

CO-CHAIR DRUMMOND discussed a previously-heard presentation on preschool grants, and a longitudinal study in Minnesota which follows kids from preschool all the way through workforce development.

[8:53:59 AM](#)

REPRESENTATIVE ZULKOSKY requested a more deliberative review of the sectional analysis.

REPRESENTATIVE TUCK agreed.

REPRESENTATIVE CRONK asked how HB 164 compares to SB 111.

SENATOR BEGICH replied, "It is identical, down to the last word, to the bill that is here." He said there has been extensive discussion regarding ways to work, in a nonpartisan manner, to improve the proposed legislation.

[8:57:06 AM](#)

REPRESENTATIVE CRONK expressed the need for a thorough bill, and he opined that there are no college programs that equip teachers with the tools to teach kids to read.

SENATOR BEGICH discussed the need to better educate teachers, pointing out that the teaching program at the University of Alaska Anchorage, has lost its certification.

CO-CHAIR DRUMMOND expressed agreement with the previous comments.

[8:59:30 AM](#)

REPRESENTATIVE GILLHAM asked how to remove the policies in the proposed legislation should the sunset clause be removed.

SENATOR BEGICH replied that the plan isn't to wait until the program has run the full 10 years and then evaluate its success. He explained that annual reviews would be performed, with annual reports provided to the legislature, and the programs would be adapted over time. He added that having a sunset clause poses a risk of losing all progress once the program expires.

REPRESENTATIVE TUCK added that education should always evolve. He said reports have shown a divide between the upper and lower

classes in educational opportunities, especially through the pandemic, as working parents try to provide education from home while trying to make a living. He said that type of feedback will allow incremental changes in education policy over the next 10 years.

CO-CHAIR DRUMMOND commented that the pandemic has allowed a unique opportunity to address such issues. She then asked for more information on the Parents As Teachers program.

REPRESENTATIVE TUCK explained that Parents As Teachers has historically been federally-funded in Alaska. When the program first passed out of the House as House Bill 69 during the Twenty-Sixth Alaska State Legislature, he said, it was supposed to be funded at \$9 million over three years. The funding wasn't implemented, he said, and with a three-year sunset date, the program ended. He commented that people often look at early education as "babysitting," and parents need to be educated on how to maximize a child's learning potential early in life.

[9:06:28 AM](#)

SENATOR BEGICH added that language was added to provide greater resources, such as accessibility to literacy programs, for parents.

[9:07:48 AM](#)

REPRESENTATIVE HOPKINS asked for further discussion on the section on reading intervention.

[9:09:31 AM](#)

MS. TOBIN presented the sectional analysis for Section 35 of HB 164 [included in the committee packet], which read as follows [original punctuation provided]:

**Section 35 - Adds new section under AS 14.30, Article  
15. Reading Intervention and Article 16. Virtual  
Education Consortium.**

Directs DEED to support school districts in adopting an evidence-based reading assessment tool to help kindergarten through third-grade classroom teachers identify students struggling to learn to read.

Students will be assessed in the fall, and if a student is determined to be learning to read, the student will no longer be assessed that year.

If a student is struggling to read, an individual reading improvement plan must be developed and implemented to help the student learn to read. Two more additional assessments will assist in ascertaining whether reading intervention strategies are working, provide clear insight into where a student may be struggling, and permit the department to provide additional, targeted support.

DEED is directed to provide training to school district staff in a reading assessment tool and train school district staff in evidence-based reading interventions. Districts are asked to identify which early education program a student attended (if attended) and report to the department reading proficiency.

Districts may choose to adopt the reading assessment tool provided by DEED or use their own reading assessment tool if it is evidence-based and approved by DEED. In determining the type of reading assessment, DEED must consider the time it takes to administer the assessment, when assessment results may become available, how the assessment may be integrated into the classroom, recommendations from taskforces that studied reading deficiencies, and ensuring the assessment is culturally responsive.

[9:12:10 AM](#)

REPRESENTATIVE HOPKINS asked what components school districts must consider in reading assessments.

MS. TOBIN referred to the text of HB 164, beginning on page 25, line 24, Section 35, subsection (b), paragraphs (1) and (2), which read as follows:

(b) In adopting a statewide screening or assessment tool under (a)(1) of this section, the department shall consider the following factors:

(1) the amount of time needed to administer the screening or assessment, with the intention of minimizing effects on instructional time;

(2) the time frame for reporting screening or assessment results to teachers, administrators, and parents or guardians;

REPRESENTATIVE HOPKINS stated his understanding that DEED would be responsible for creating the standardized test, find a way to incorporate it into the teaching, and ensure the results are reported in a timely manner. He then asked whether the time frame for reporting should be better defined.

MS. TOBIN replied that many districts already use assessment tools, with varying levels of efficacy, and that the question might be better posed to a representative from DEED.

[9:14:04 AM](#)

MS. TOBIN resumed her presentation of the sectional analysis of Section 35, which read as follows [original punctuation provided]:

Districts are directed to offer help to a K- 3rd grade student who is struggling to read by offering individualized reading intervention services. Interventions must be in addition to core reading instruction and be provided (when practical) by or under the supervision of a reading teacher, be rooted in evidence-based methods that are proven to help a student learn to read within a single school year, provide clear instruction and detailed explanation to the student, be individualized, be offered outside the regular school day, provide assistance and support to parents/guardians, and support opportunities to parents/guardians to learn about resources for adult literacy.

Individual reading improvement plans must be implemented at least 30 days after a student is assessed to be struggling, and a student's classroom teacher and district support staff must be involved in the evidence-based interventions.

Progress on individual reading improvement plans must be culturally responsive and be monitored, and adjustments may be made. Parents/guardians must be kept updated on the progress of their students, and additional resources to support individual reading

improvement plans at home must be provided to parents/guardians.

Once a student is identified as a struggling reader, a family member must be notified within 15 days. Notification must include a clear description of what an individual reading plan entails and how the district plans to support the student. Explanations of what evidence-based reading interventions entail and what may happen if a student continues to struggle to read must be included in the initial notification. Parents/guardians must also be told what evidence-based reading strategies may be implemented at home and a detailed explanation of which future retention/progression options, waivers, and good cause exemptions may apply. Parents/guardians must also receive information on how mid-year progression works within the district. At 45 days (or before), if a student continues to struggle to read, a parent/guardian must meet with a student's classroom teacher and district staff to discuss grade progression.

[9:16:15 AM](#)

REPRESENTATIVE HOPKINS pointed out that in individual education plans (IEPs), the parent or guardian is required to be at the meetings. He asked what would happen if the parent or guardian is not able to be at meetings to discuss plans for a struggling reader.

MS. TOBIN explained that the definition for "parent or guardian" is very inclusive in the proposed legislation, in the hope that a family member could be present. If a family member is unable to be present, she said, the discussions would happen with the classroom teacher and school district staff.

REPRESENTATIVE HOPKINS asked whether a parent(s) would be required to present themselves at some point, or whether the educators would still work with the struggling student in the absence of parental involvement.

MS. TOBIN replied that details regarding such a situation are included in the proposed legislation in Section 35, subsection (f), on page 29, line 21, through page 30, line 7.

[9:17:57 AM](#)

REPRESENTATIVE ZULKOSKY referred to Section 20, subsection (a), paragraph (5), subparagraph (A), beginning on page 17, line 10, of the proposed legislation, which read as follows:

**(A) standards for a locally designed, evidence-based program that meets Head Start Program Performance Standards and other federal standards required for early education programs to receive federal funding;**

REPRESENTATIVE ZULKOSKY asked whether existing Head Start programs throughout Alaska, either federally or state funded, would be bound by the new requirements.

MS. TOBIN responded that the legislature can't dictate how a federal program operates within the state. The language of the proposed legislation, she said, attempts to continue meeting the qualifications of programs that could be established by the current or subsequent federal administrations.

REPRESENTATIVE ZULKOSKY asked whether language in the proposed legislation would require existing Head Start programs to retool their existing programs.

MS. TOBIN replied that HB 164 would hold Head Start programs at their established qualifications, and it would encourage school districts to work with Head Start programs to ensure that all students have the opportunity for early education.

REPRESENTATIVE ZULKOSKY, referring to Representative Hopkins' earlier questions regarding the text of Section 35 regarding reading screening and assessment tools, asked how DEED would provide support for teachers conducting the assessments. She clarified her question by asking what the intention behind the support would be.

MS. TOBIN replied that the nature of DEED support would be established in regulations, and she said it would be a good question to ask the department.

[9:21:56 AM](#)

REPRESENTATIVE STORY stressed the importance of reading programs and stated her support for HB 164. She commented on the importance of having parental support and on identifying gaps in education.



[9:24:26 AM](#)

CO-CHAIR DRUMMOND announced that HB 164 was held over.

The committee took an at-ease from 9:24 a.m. to 9:26 a.m.

**HB 114-EDUCATION & SUPPLEMENTAL LOAN PROGRAMS**

[9:26:18 AM](#)

CO-CHAIR DRUMMOND announced that the next order of business would be HOUSE BILL NO. 114, "An Act relating to the education loan program and Alaska supplemental education loan program; and providing for an effective date."

[9:26:25 AM](#)

SANA EFIRD, Executive Director, Alaska Commission on Postsecondary Education, introduced HB 114 on behalf of the House Rules Standing Committee at the request of the governor. She said the Alaska Commission on Postsecondary Education (ACPE) supports access to postsecondary education; the Alaska Student Loan Corporation (ASLC) operates as an enterprise agency of the State of Alaska, funding and facilitating the Alaska Student Loan Program. She then detailed the sectional analysis, which read as follows [original punctuation provided]:

**Section 1:**

Amends AS 14.43.122(b), Consolidation of loans, by expanding the population eligible to apply for Alaska Refinancing Loans to include previous Alaska borrowers and graduates from Alaska high schools and postsecondary institutions, as well as current Alaska residents.

**Section 2:**

Amends AS 14.43.173(a), Loan award maximums; use of loan award, by eliminating the loan maximums in statute and providing for the Alaska Student Loan Corporation (Corporation) to set the annual loan maximums.

**Section 3:**

Amends AS 14.43.173(b), Loan award maximums; use of loan award, by eliminating lifetime loan maximums in statute and providing for the Corporation to set lifetime loan maximums.

**Section 4:**

Amends AS 14.43.173(d), Loan award maximums; use of loan award, with a conforming change to allow the Corporation to set loan limits for both half-time and full-time loans.

**Section 5:**

Amends AS 14.43.175, Repayment of loans, by providing for the Alaska Commission on Postsecondary Education to offer future student loan borrowers a loan program with immediate repayment requirements.

[9:32:15 AM](#)

CO-CHAIR DRUMMOND asked Ms. Efird to clarify whether immediate repayment would mean avoiding interest.

MS. EFIRD replied that interest is normally deferred while students are in school, and capitalized when students start making payments six months after graduation. The proposed legislation, she said, would allow students to pay interest up front so it's not capitalized into the end amount, thereby lowering the total cost of the loan.

CO-CHAIR DRUMMOND asked whether "immediate repayment" means right after closing on a loan.

MS. EFIRD replied that is correct.

[9:33:34 AM](#)

REPRESENTATIVE STORY asked whether immediate repayment would be mandatory.

MS. EFIRD replied that it would be an option.

[9:33:50 AM](#)

MS. EFIRD said the proposed legislation would respond to requests from students and Alaska's higher education community, and that it would enhance the ability to meet the financial aid needs of student loan borrowers, allow responsible increases to annual loan limits, and amend the repayment program to assist borrowers in keeping overall costs down. She said the changes are intended to positively impact ASLC in offering economies of scale and provide the lowest interest rates possible.

[9:35:11 AM](#)

LEE DONNER, Regional Managing Director, Hilltop Securities, testified in support of HB 114, sharing that Hilltop Securities has served as a financial adviser to ASLC since 2007. He explained that almost all student loan programs throughout the country require two eligibility standards. Residency is one eligibility standard, he said; the other eligibility standard, he said, is having attended school within the state, which he noted is an unusual standard. He said the proposed legislation is not likely to result in a large expansion in a program, and he noted that it would be limited to refinanced loans instead of loans initially held by current students. Because the loans have been refinanced, he said, the proposed legislation would not pose a credit risk due to the borrowers having established a post-college credit history. He said HB 114 would bring Alaska's loan refinancing standards more into line with other programs that Hilltop Securities advises. Ms. Donner said the immediate repayment option improves payment performance and lowers loan delinquency and default. Those who take advantage of the immediate repayment option not only enjoy a lower loan cost, he said, but they also perform better overall than those who don't.

[9:41:43 AM](#)

MS. EFIRD pointed out that HB 114 has a zero fiscal note.

[HB 114 was held over.]

[9:42:15 AM](#)

The committee took a brief at-ease at 9:42 a.m.

#### **HB 132-SCHOOL APPRENTICESHIP PROGS; TAX CREDITS**

[9:42:29 AM](#)

CO-CHAIR DRUMMOND announced that the final order of business would be a return to HOUSE BILL NO. 132, "An Act relating to technical education and apprenticeships; relating to concurrent vocational education, training, and on-the-job trade experience programs for students enrolled in public secondary schools; relating to child labor; and providing for an effective date." [Before the committee was CSHB 132(L&C), as amended, with pending motion to move it out of committee.]

9:44:20 AM

REPRESENTATIVE ZULKOSKY pointed out the different dates on the fiscal notes.

REPRESENTATIVE FIELDS explained that, at one point, HB 132 contained legislation which carried a fiscal note from the Department of Education and Early Development (DEED); the legislation has since been bifurcated, he said, and DEED has requested a zero fiscal note for HB 132.

REPRESENTATIVE ZULKOSKY noted that the motion to move the proposed legislation out of committee had been made earlier, and Representative Cronk had objected.

REPRESENTATIVE CRONK maintained his objection. He expressed that HB 132 is similar to HB 108, and that he doesn't want to see one bill get passed while the other doesn't get heard. He suggested hearing HB 108 before deciding to move HB 132 forward.

REPRESENTATIVE ZULKOSKY noted that HB 108 was heard on April 9, 2021, and said the committee substitute for HB 132 was before the committee because the sponsor of HB 108 didn't want to move both bills at the same time, but wanted to encourage apprenticeship in Alaska. She stated her support for HB 132.

REPRESENTATIVE STORY reported that she spoke with the sponsor of HB 108, and that he expressed to her that he is working with school districts to acquire information relating to the fiscal note.

9:49:00 AM

A roll call vote was taken. Representatives Zulkosky, Hopkins, Drummond, and Story voted in favor of moving CSHB 132(L&C), as amended, out of committee with individual recommendations and the accompanying zero fiscal note. Representatives Gillham and Cronk voted against it. Therefore, CSHB 132(EDC) was reported out of the House Education Standing Committee by a vote of 4-2.

9:49:41 AM

#### **ADJOURNMENT**

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 9:50 a.m.